

Senate File 360 - Enrolled

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SENATE FILE 360

AN ACT

RELATING TO THE REGULATORY DUTIES OF THE DIVISION OF BANKING
OF THE DEPARTMENT OF COMMERCE REGARDING BANKING, DEBT
MANAGEMENT, MORTGAGE BANKING, INDUSTRIAL LOAN COMPANIES,
AND PROFESSIONAL LICENSING.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. NEW SECTION. 524.215A PRESERVATION OF
DIVISION OF BANKING RECORDS.

1. The division of banking may preserve records, papers,
or documents kept by the division or in the possession or
custody of the division by any of the following means:

a. Photographing or microphotographing, or otherwise
reproducing upon film.

b. Preserving in any electronic medium or format capable
of being read or scanned by computer and capable of being
reproduced by printing or by any other form of reproduction of
electronically stored data.

2. Photographs, microphotographs, or photographic films or
copies thereof, or reproductions of electronically stored
data, created pursuant to subsection 1 shall be deemed to be
an original record for all purposes, including introduction in
evidence in all state and federal courts or administrative
hearings, and shall be admissible to prove any act,
transaction, occurrence, or event therein recorded.

3. Photographs, microphotographs, or photographic films or
copies thereof, or reproductions of electronically stored
data, created pursuant to subsection 1 shall be preserved in
such manner as the division prescribes, and the original
photographs, microphotographs, photographic films, copies, and
reproductions may be destroyed or otherwise disposed of as the
division directs.

Sec. 2. Section 524.217, subsection 2, Code 2007, is
amended to read as follows:

2. The superintendent may furnish to the federal deposit
insurance corporation, the federal reserve system, ~~the office~~
~~of the comptroller of the currency, the office of thrift~~
~~supervision, the United States department of the treasury, the~~
~~national credit union administration, the federal home loan~~
~~bank, the financial crimes enforcement network of the federal~~
~~department of the treasury, the United States internal revenue~~
~~service, and financial institution regulatory authorities of~~
other states, or to any official or supervising examiner of
such regulatory authorities, a copy of the report of any or
all examinations made of any state bank and of any affiliate
of a state bank.

Sec. 3. Section 524.217, Code 2007, is amended by adding
the following new subsection:

NEW SUBSECTION. 6. The superintendent may enter into
contractual agreements with other state regulators of
financial institutions to share examiners or to assist in each
state's respective examinations. The division of banking
shall be reimbursed for any costs incurred when providing
services to other states pursuant to this subsection. Any
division of banking personnel assisting another state with its
examination shall be covered by the provisions of the other
state's tort claims act, to the extent permitted by the laws
of the other state. If the law of the other state does not
extend coverage to the division of banking personnel working
on the other state's examination, the provisions of chapter
669 shall apply.

Sec. 4. Section 533A.10, Code 2007, is amended by adding
the following new subsection:

NEW SUBSECTION. 3. Except as otherwise provided by this
chapter, all papers, documents, examination reports and other
writings relating to the supervision of licensees are not
public records and are not subject to disclosure under chapter
22. The superintendent may disclose information to
representatives of other state or federal regulatory
authorities. The superintendent may release summary complaint

3 4 information as long as the information does not specifically
3 5 identify the complainant. The superintendent may prepare and
3 6 circulate reports reflecting financial information examination
3 7 results for all licensees on an aggregate basis, including
3 8 other information considered pertinent to the purpose of each
3 9 report for general statistical information. The
3 10 superintendent may prepare and circulate reports provided by
3 11 law. The superintendent may release the reports and
3 12 correspondence in the course of an enforcement proceeding or a
3 13 hearing held by the superintendent and may provide this
3 14 information to the attorney general for purposes of enforcing
3 15 this chapter or the consumer fraud Act, section 714.16.

3 16 Sec. 5. Section 535B.14, Code 2007, is amended to read as
3 17 follows:

3 18 535B.14 RULEMAKING AUTHORITY.

3 19 The administrator may adopt, amend, or repeal rules to aid
3 20 in the administration and enforcement of this chapter,
3 21 including rules providing the grounds for denial of an
3 22 individual registration based on information received as a
3 23 result of a background check, character and fitness grounds,
3 24 and any other grounds for which an individual registrant or
3 25 licensee may be disciplined.

3 26 Sec. 6. Section 536A.22, unnumbered paragraph 1, Code
3 27 2007, is amended to read as follows:

3 28 Licensed industrial loan companies ~~may~~ shall not sell
3 29 senior debt to the general public in the form of thrift
3 30 certificates, installment thrift certificates, certificates of
3 31 indebtedness, promissory notes, or similar evidences of
3 32 indebtedness ~~if such debt instruments are insured by a federal~~
3 33 ~~deposit insurance agency.~~ Licensees selling debt instruments
3 34 on January 1, 1996, may continue to do so ~~without obtaining~~
3 35 ~~federal deposit insurance~~ until there is a change of control
4 1 of the licensee which occurs on or after January 1, 1996. If
4 2 there is a change of control of a licensee on or after January
4 3 1, 1996, and the licensee has sold senior debt instruments
4 4 that ~~are not insured by a federal deposit insurance agency~~
4 5 remain outstanding at the time of the change of control, such
4 6 outstanding senior debt instruments that do not have a stated
4 7 maturity date shall be redeemed within six months of the date
4 8 of the change of control. Such outstanding senior debt
4 9 instruments with stated maturity dates shall be redeemed on
4 10 their stated maturity dates.

4 11 Sec. 7. Section 546.10, Code 2007, is amended by adding
4 12 the following new subsections:

4 13 NEW SUBSECTION. 6. The licensing boards included in the
4 14 bureau pursuant to subsection 1 may refuse to issue or renew a
4 15 license to practice a profession to any person otherwise
4 16 qualified upon any of the grounds for which a license may be
4 17 revoked or suspended or a licensee may otherwise be
4 18 disciplined, or upon any other grounds set out in the chapter
4 19 governing the respective board.

4 20 NEW SUBSECTION. 7. The licensing boards included in the
4 21 bureau pursuant to subsection 1 may suspend, revoke, or refuse
4 22 to issue or renew a license, or may discipline a licensee
4 23 based upon a suspension, revocation, or other disciplinary
4 24 action taken by a licensing authority in this or another
4 25 state, territory, or country. For purposes of this
4 26 subsection, "disciplinary action" includes the voluntary
4 27 surrender of a license to resolve a pending disciplinary
4 28 investigation or proceeding. A certified copy of the record
4 29 or order of suspension, revocation, voluntary surrender, or
4 30 other disciplinary action is prima facie evidence of such
4 31 fact.

4 32 NEW SUBSECTION. 8. Notwithstanding any other provision of
4 33 law to the contrary, the licensing boards included within the
4 34 bureau pursuant to subsection 1 may by rule establish the
4 35 conditions under which an individual licensed in a different
5 1 jurisdiction may be issued a reciprocal or comity license, if,
5 2 in the board's discretion, the applicant's qualifications for
5 3 licensure are substantially equivalent to those required of
5 4 applicants for initial licensure in this state.

5 5 NEW SUBSECTION. 9. Notwithstanding section 272C.6, the
5 6 licensing boards included within the bureau pursuant to
5 7 subsection 1 may by rule establish the conditions under which
5 8 the board may supply to a licensee who is the subject of a
5 9 disciplinary complaint or investigation, prior to the
5 10 initiation of a disciplinary proceeding, all or such parts of
5 11 a disciplinary complaint, disciplinary or investigatory file,
5 12 report, or other information, as the board in its sole
5 13 discretion believes would aid the investigation or resolution
5 14 of the matter.

5 15 Sec. 8. Sections 536A.32, 536A.33, and 536A.34, Code 2007,
5 16 are repealed.

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5 20 _____
5 21 JOHN P. KIBBIE
5 22 President of the Senate

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5 25 PATRICK J. MURPHY
5 26 Speaker of the House

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5 28 I hereby certify that this bill originated in the Senate and
5 29 is known as Senate File 360, Eighty-second General Assembly.

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5 33 MICHAEL E. MARSHALL
5 34 Secretary of the Senate

5 35 Approved _____, 2007

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6 4 CHESTER J. CULVER
6 5 Governor